

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL MEMORANDUM

HB 3632 – SB 3578

February 24, 2012

SUMMARY OF AMENDMENT (013353): Requires tobacco product manufacturers who are not participating in the Tobacco Master Settlement Agreement, hereafter referred to as non-participating manufacturers, to certify in writing that they consent to being sued in the circuit or chancery courts in Tennessee for purposes of enforcing certification and other regulatory requirements for tobacco product manufacturers. Establishes additional certification requirements for out-of-state non-participating manufacturers, concerning importers accepting joint liability with non-participating manufacturers for obligations to place appropriate funds into the Tobacco Manufacturers' Escrow Fund. Establishes additional criteria for which non-participating manufacturers may be removed from directory of approved tobacco product manufacturers, except that if the basis for any removal is a good faith dispute regarding the amount of escrow required for units sold in other states, the non-participating manufacturer shall have the opportunity to cure any underpayment of escrow within 60 days of final order.

FISCAL IMPACT OF ORIGINAL BILL:

NOT SIGNIFICANT

FISCAL IMPACT OF BILL WITH PROPOSED AMENDMENT:

Unchanged from the original fiscal note.

Assumptions applied to amendment:

- The number of tobacco distributors and the extent of tobacco product sales will not change.
- The number of judicial and administrative proceedings will not change.
- Any change in tobacco tax collections as a result of additional information certified by non-participating manufacturers will not be significant.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, appearing to read "Lucian D. Geise". The signature is fluid and cursive, with the first name "Lucian" written in a larger, more prominent script than the last name "Geise".

Lucian D. Geise, Executive Director

/rnc